GOVERNMENT OF INDIA
CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:1042
ANSWERED ON:28.07.2000
EXPORT OF SUGAR
AVTAR SINGH BHADANA;CHANDRA BHUSHAN SINGH;JAGMEET SINGH BRAR;RAMJI LAL SUMAN

Will the Minister of CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Government have decided to export the surplus stock of sugar in the country;

(b) if so, the quantum of sugar proposed to be exported during the current year and the estimated foreign exchange likely to be earned therefrom;

(c) whether the Government have collected information regarding international price of sugar for this purpose;

(d) if so, the expected price of sugar in the international market at present;

(e) whether sugar industry can earn profit by exporting sugar at this price; and

(f) if so, the extent of profits likely to be earned therefrom?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (SHRI SREE PRASAD)

(a), (b), (c), (d), (e) & (f) : Government have decided to allow export of 10 lakh tonnes of domestically produced sugar. These exports can be carried out by the sugar mills either directly or through the exporters.

The F.O.B. prices of white sugar in the international market (London Daily Prices)during the month of July, 2000 (upto 20.7.2000) were in the range of US $ 237.70 PMT to US $ 252.70 PMT, with an average of US $ 243.00 PMT.

Due to low level of prices prevailing in the international market, the commercial exports of sugar are not viable at present. In order to make commercial export of sugar viable, Government have decided to exempt the sugar meant for export free from the levy obligation. This exemption is available for a period of six months, commencing from 1st June, 2000.

The prices of sugar in the international market are showing a rising trend. As such, export of sugar from India is expected to take place with increasing international price. It is, however, not possible to quantify the export realisations at this state, as commercial export of sugar is yet to start.